

RESOLUTION NO. 2009- 28

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A RESTATED MEMBERSHIP AGREEMENT WITH THE VERDE VALLEY EMPLOYEE BENEFIT POOL (VVEBP) MODIFYING SECTION 5.2 (MEMBER EMPLOYEES) TO PROVIDE LIQUIDATED DAMAGES FOR ELIGIBLE EMPLOYEES DECLINING COVERAGE UNDER THE HEALTH INSURANCE PLANS

WHEREAS, the City of Sedona (City) joined the Verde Valley Employee Benefit Pool (VVEBP) on January 1, 2007, to pool health insurance coverage and reduce costs of health insurance for employees and their dependants, and

WHEREAS, the premiums for health coverage are based on large numbers of enrolled members , and the VVEBP would be financially impacted by allowing employees to decline coverage based on direct or indirect incentives of the City, and

WHEREAS, the revised Membership Agreement, Section 5.2.2, will now provide as liquidated damages an amount equal to the premiums that would have been paid by an employee if such employee declines coverage based on the direct or indirect incentives offered by the City

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA, THAT:

The City of Sedona, through its Mayor and Council, hereby the revised and restated Membership Agreement with VVEBP, dated June 12, 2009, to be effective July 1, 2009.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona, this 28th day of July, 2009.

Rob Adams, Mayor

ATTEST:

Acting City Clerk

APPROVED AS TO FORM:

City Attorney